25X1

1254

GENERAL

1. British favor change in Western stand on Austrian treaty—US Embassy London has been informed that UK Foreign Secretary Bevin is now prepared to accept the Soviet text for two of the disputed articles of the Austrian treaty "as a last resort" in reaching a general settlement. Bevin is "agreeable in principle" to the withdrawal of Western proposals regarding Austria's obligation to restore the property and rights of UN nationals and to the elimination of the treaty article obliging Austria to pay pre-Anschluss debts, provided that both these problems are handled in a separate agreement with Austria. Bevin suggests that his proposals be discussed by the three Western Foreign Ministers at their forthcoming meeting in London and that the Austrian Government not be informed meanwhile of this consideration of a change in the Western position.

State Dept. review completed

Approved For Release

ACIA-RDP78-01617A006100050079-0